



Approved For Release 2001/07/27 : CIA-RDP81B00878R001400100096-6  
THE RAMO-WOOLDRIDGE CORPORATION

The parties hereto understand that this Purchase Order is subject to the following terms and conditions, which become binding upon acceptance by Seller's acknowledgment or by Seller commencing performance of this Purchase Order:

1. **SHIPMENTS:** Each container and accompanying packing list must show this Purchase Order Number. No charge shall be made for packaging, delivery, or similar cost unless expressly authorized by this order. All shipments are to be packaged in strict conformity with Rule 41 Consolidated Freight Classification and all Interstate Commerce Commission Regulations, unless otherwise provided by Government directives or by other provisions herein. Seller shall not insure shipments which are other than f.o.b. destination unless otherwise provided herein. Seller shall contact Buyer for instructions regarding shipments amounting to \$50,000 or over.
2. **ADVANCE COMMITMENTS:** Buyer may, at its option, either retain items received in advance of the delivery schedule or return them to Seller at Seller's risk and expense; if retained, time for payment and discounts shall be based upon delivery schedule dates. Seller shall place all orders for and schedule deliveries of materials and parts necessary for its performance under this order at such times as will enable Seller to meet, but not unreasonably anticipate, the schedule of deliveries set forth herein. In the event of termination or changes to this order, Buyer shall not be liable for any charges or cost arising out of commitments by Seller for the acquisition of said materials and parts, or out of work performed hereunder, in advance of the time necessary to meet the delivery schedules hereunder, unless Buyer has given its prior written consent to such advance commitments or work.
3. **PAYMENT:** The original and other copies of invoices as provided for on the face hereof shall be mailed at the time of shipment. The time for payment of Seller's invoices shall commence with date of actual receipt of invoices in complete accordance with the requirements of this order. Buyer may make adjustments in Seller's invoices due to shortage, late delivery, rejection, or other failure to comply with the requirements of this order.
4. **WARRANTIES:** Seller expressly warrants that all items delivered hereunder will be free from defects, fit for the intended use, merchantable, of good materials and workmanship, and will conform to applicable specifications, drawings and samples. The foregoing warranties shall survive inspection and acceptance of and payment for the items delivered hereunder and shall run to Buyer, its successors, assigns and customers. Said warranties, however, shall not be deemed to limit any warranties of additional scope given to Buyer by Seller, nor to limit Buyer's rights or Seller's obligations under any other provision of this order.
5. **INSPECTION:** All items will be subject to inspection and acceptance at Buyer's plant. Buyer reserves the right to accept or reject any shipment in whole or in part. Buyer may reject defective items hereunder at any time. Buyer may at its election either hold rejected items for Seller's inspection and at Seller's risk or return such items to Seller at Seller's expense. If so requested by Buyer, Seller will repair or replace any rejected items at its sole cost and expense. Seller will promptly reimburse Buyer for any loss incurred by Buyer due to any defects in such items and will hold Buyer harmless from claims of third parties due to any defects in such items. This paragraph shall not limit Buyer's rights or Seller's obligations under any other provision of this order.
6. **CHANGES:** Buyer shall have the right at any time before completion of the order to make changes in quantities, in drawings and specifications, in delivery schedules, and in methods of shipment and packaging. If such changes cause an increase or decrease in prices or in the time required for performance, Seller will promptly notify Buyer thereof, and an equitable adjustment shall be made. This Purchase Order is the entire contract and changes shall not be binding upon Buyer unless evidenced by a Purchase Order Change Notice or other authorized document issued and signed by Buyer.
7. **TAXES:** Federal, State, or local taxes of any nature which are billed to Buyer shall be stated separately in Seller's invoices. Seller shall not bill taxes subject to Buyer's tax exemption certificates.
8. **PATENT AND COPYRIGHT INDEMNITIES:** To the extent that the items ordered have not originated with Buyer, Seller guarantees the sale and/or use of such items delivered hereunder will not infringe any U.S. patents or copyrights and agrees to indemnify and save Buyer and/or its customers harmless from any expense, loss, damage or liability which may be incurred on account of any such infringement or alleged infringement with respect to such items, and to defend at its own expense any action or claim in which such infringement is alleged, provided Seller is notified as soon as practicable as to such actions or claims against Buyer and is given full and exclusive control of the defense and all negotiations relative to the settlement thereof. The foregoing obligations of Seller shall not apply to any infringement resulting from use of any item ordered in combination with other equipment where such infringement would not have occurred from the normal use for which the item was designed and sold.
9. **DISCLOSURE OF INFORMATION:** Seller shall not, without prior written consent of Buyer, disclose or disseminate information relative to this order, except as may be required to insure performance.
10. **REPRODUCTION RIGHTS:** Buyer does not grant to Seller any reproduction rights to the items ordered except for the use of Buyer, nor does Buyer grant any rights to reproduce or to use designs, drawings, or other information belonging to or supplied by Buyer in the manufacture or design of articles or materials for anyone other than Buyer.
11. **CONTRACT:** The parties hereto agree that this order and the acceptance thereof shall be a contract made in the State shown in the Buyer's address on the face of this order and governed by the laws thereof.
12. **PROPERTY FURNISHED TO SELLER BY BUYER:** Title to and the right of immediate possession of all property furnished by Buyer to Seller for the use hereunder, including but not restricted to tooling, designs, patterns, drawings, and materials, shall be and remain in Buyer in all stages of production, except that title to any property furnished by Buyer which is stamped or marked as U.S. Government Property shall be and remain in the Government. Such property shall not be used in the production, manufacture, or design of any other articles for any other purchaser or for manufacture or production of larger quantities than those specified herein, except with the express consent in writing of the Buyer. All such property supplied by the Buyer shall be segregated by the Seller in the Seller's plant, and wherever possible, clearly marked so as to be easily identified as Buyer's or the Government's property. Seller shall be fully responsible for all such property upon delivery to Seller until re-delivery thereof to Buyer and shall protect, preserve, and maintain such property in accordance with sound industrial practices. Seller shall keep an inventory of all such property in its possession which is furnished by the Buyer or which becomes the property of the Buyer and shall furnish copies of such inventories to the Buyer as may be required. At the termination of this order all such property, together with all excess materials, shall be disposed of as Buyer shall direct. Unless otherwise noted on this Purchase Order, unuseable scrap shall become the property of the Seller as part of his remuneration for the work performed. In the event such property is damaged or made unfit for its intended use, except for reasonable wear and tear or for the authorized use of the property in accordance with provisions of this order, the Buyer's cost of replacement thereof is to be paid by Seller.
13. **TERMINATION:** (a) Buyer may, subject to paragraphs (b) and (c) below, terminate work under this purchase order in whole or in part at any time by written or telegraphic notice to Seller. Upon such notice of termination Seller will, as to the terminated portion of the Purchase Order, stop work immediately, notify subcontractors to stop work, and protect property in Seller's possession in which Buyer has or may acquire an interest.  
(b) Buyer reserves the right to terminate this Purchase Order or any part thereof without cost for any failure of Seller to perform any provision of this Purchase Order except that Seller shall not be in default for failure to perform due causes beyond Seller's control and without Seller's fault or negligence.  
(c) Where such termination is for convenience of the Buyer or is occasioned by a default or delay of Seller due to causes beyond Seller's control and without Seller's fault or negligence, Seller may claim reimbursement, for Seller's actual cost incurred up to and including the date of termination which are properly allocable to or apportionable under recognized accounting practices to the terminated portion of the purchase order, including liabilities to subcontractors which are so allocable, and acceptable finished units at contract price not previously billed or paid for, but excluding any charge for interest or any materials which Seller may be able to divert to other orders. Seller may also claim a reasonable profit on the work actually done by Seller prior to such termination, the rate of which shall not exceed the rate used in establishing the rate of purchase order price. Seller's claim for reimbursement under such termination shall not include anticipatory profits. The total of such claim shall not, however, exceed the cancelled commitment value of this Purchase Order. Buyer shall have, as against Seller, all remedies provided by law and equity.
14. **ASSIGNMENTS:** No assignment of this order or of any moneys due or to become due thereunder shall be binding upon Buyer until its written consent thereto is obtained.
15. **SUBCONTRACTING:** Seller agrees that it will not enter into a subcontract or purchase order for the procurement of end items covered by this order in completed or in substantially completed form without first securing approval of the Buyer and, when applicable, the cognizant Government Contracting Officer as to source.
16. **VALIDITY:** The invalidity in whole or in part of any condition of this Purchase Order shall not affect the validity of other conditions.
17. **PRICES:** Seller represents that it is intended that its prices shall not exceed prices permitted by applicable Government price regulations; in the event it is subsequently determined that Seller's prices are in excess of prices permitted by such regulations, Seller shall refund the excess to Buyer.
18. **RENEGOTIATION ACT:** If so stated on the face hereof, this order is subject to the provisions and exceptions of the Renegotiation Act of 1951 (P. L. 9 82nd Congress) and shall be deemed to contain all such provisions required by said Act and all such exceptions of said Act. Seller agrees to insert the provisions of this clause in all subcontracts hereunder, which are subject to said Act.
19. **MANDATORY CONDITIONS REQUIRED BY GOVERNMENT CONTRACTS IN ADDITION TO OTHER TERMS AND CONDITIONS:** If a Government Contract Number or Buyer's Code Number appears on the face hereof, Seller understands that articles covered by this Purchase Order relate to a prime contract with the U. S. Government or to a subcontract with a Government Prime Contractor and the following clauses apply: in event of inconsistency between other terms and conditions herein and this Clause 19, the latter shall govern and prevail.
  - a. **Federal Laws:** Seller agrees that the items covered by this order will be manufactured or furnished in compliance with all applicable provisions of all applicable Federal Laws, as heretofore or hereafter amended, including but not restricted to the Fair Labor Standards Act, Walsh-Healy Act, Eight-Hour Law, Buy-American Act, Vinson-Trammell Act, Royalty Adjustment Act, and Espionage Act (and statutes relative thereto), and all applicable regulations, rulings and interpretations issued thereunder.
  - b. **Armed Service Procurement Regulations (ASPR) or Air Force Procurement Instructions (AFPI):** The following clauses, 1 through 15, referring to ASPR or AFPI as expressed on the date of this order are incorporated herein by reference and mutually agreed to by the parties hereto to be part of this order, whenever applicable, as fully as if set out in complete text. The terms appearing in the following clauses shall be so construed as to show the proper relationship between the Seller, the Buyer and the Government.
    1. Inspection—ASPR 7-103.5
    2. Responsibility for Supplies—ASPR 7-103.6
    3. Default—ASPR 7-103.11
    4. Disputes—ASPR 7-103.12
    5. Non-discrimination in Employment—ASPR 12-803
    6. Officials not to Benefit—ASPR 7-103.19
    7. Covenant against Contingent Fees—ASPR 7-103.20
    8. Notice to the Government of Labor Disputes—ASPR 7-105.3
    9. Termination—ASPR 8-706
    10. Military Security Requirements—ASPR 7-104.12
    11. Utilization of Small Business Concerns—ASPR 7-104.14
    12. Examination of Records—ASPR 7-104.5
    13. Government-Furnished Property—ASPR 13-502
    14. Special Tooling—ASPR 13-504
    15. Patents and Copyrights—ASPR 9-104, 9-106, 9-106.1, 9-107.1, 9-107.2, 9-110, 9-110.2, 9-112, 9-202, and 9-204.